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 Date 13 Oct 1991

## Who told Bill Casey of funds diversion?

Would someone please tell me who told Bill Casey of the diversion of funds from the Iranian arms deal to the Nicaraguan freedom fighters (the Contras).

My husband and I were staying at my parents home, in Virginia (Nov. 25, 1986) when Attorney General Edwin Meese came at dawn to give Dad the complete Iran-Contra story that he heard from Lt. Col. Oliver North. Mr. Meese had briefed the president concerning these facts the evening before, after which Chief of Staff Don Regan called Bill Casey and alerted him of the situation.

After that early morning meeting, it was and is my husband's and my firm belief that Bill Casey heard for the first time the details of what is now called the Iran-Contra story. (Background: My husband, Owen Smith, made coffee for them. Owen had been associated with my father for some 20 years before we were married, in his law firm, in politics, as an editor or co-author, as golf partner, friend and confidant. I am an only child who had a very close personal friendship with both my father and mother. My father was my parent and my pal.)

This summer we spoke with Ed Meese, who still believes that Bill Casey did not have knowledge of the diversion of funds from the Iranian arms deals prior to his conversations with Mr. Regan and Mr. Meese on Nov. 24 and 25, 1986 — the sale of arms to Iran was obviously known to the officials involved and was the subject of an official "finding" signed by President Reagan. The diversion of the



William Casey

profits from the Iranian arms deals to the Contras was a closely kept secret.

The only person who fingered Bill Casey as the mastermind behind the diversion was Col. North, and he did so only after Bill Casey was dead. That was approximately six months after Col. North disclosed his involvement in the Iran-Contra affair to the attorney general (at that time he

never mentioned Bill Casey) and six months after the early morning meeting at which my father was shocked by the revelations presented by Mr. Meese.

To date, no one else has said that they earlier told Bill Casey about the diversion of the arms sales profits while it was occurring.

It is my belief that Bill Casey honored the Boland Amendment and would not be involved in the diversion of funds because first and foremost he was a lawyer who had a deep respect for the law.

During the recent Robert Gates hearings, a lot has been taken as fact concerning Bill Casey — this point is just one.

Granted Bill Casey was a tough taskmaster. He wanted the CIA to be the best it could be and thought it was the best. He was a genius at asking the tough questions and getting to the bare bones of any situation. Bill Casey had a brilliant and open mind. His mind could be changed, but you had to have the facts to do it, not just wishful thinking.

I do not buy the notion that Bill Casey had a mindset that could not be changed. In fact, I believe it was the tough stance that the Reagan administration took toward the Soviet Union that pressured the world to change and gave all humanity the chance for greater freedoms.

You see, the fall of communism was Bill Casey's ultimate goal — thanks, Dad.

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